

**What Every Wife Needs Her Husband To Know . . . About Long Term Care
and Long Term Disability
By Allan Checkoway, RHU**

Let's first explore the need for long term care insurance and the "catch 22's". Regrettably, most of us will face our later years and be impacted in some way by the need for elder care. Fifty percent of us will have to have some type of assisted care in our lifetimes. Almost 50%! If we're married, the risk increases to 70%! And, if we have parents (and we all do), you'll understand why assisted care impacts every family.

**At age 65, there's a 50%
likelihood of needing assisted
care. If married, the risk
increases to 70%!**

After the baby boom generation many years ago, there are now over 5,000 people turning age 65 every day of the year. Improvements in modern medicine have extended life but have not necessarily improved the quality of life. With almost half of the nation's elderly requiring assisted care, the nursing homes are full. Even at a cost now exceeding \$60,000/year, there are waiting lists to get into those nursing homes.

The first "catch 22" of LTC insurance is as follows . . . we usually don't think about long term care insurance until we're already in ill health, which is usually at an age when the premium rates are prohibitive. We're just not motivated to buy long term care insurance when we're young and healthy. It's certainly understandable as there is no natural motivation to spend money for something other than the mortgage, educating the children, IRA's and 401K's. There are too many consumer items that demand our immediate attention.

Unfortunately, even if you can afford the cost of LTC insurance, by the time you get around to applying for it, you probably will not be in good enough health to qualify for it. Industry experts tell us that more than 25 percent of those applying for LTC insurance are turned down. The cost at age 50 is 1/3 of what it costs at age 70. The cost of not buying LTC insurance can be enormous.

Unless you're extremely wealthy, the only answer to the expense of assisted care (currently \$40,000-\$80,000/yr) is Long Term Care insurance. It pays for home care as well as for nursing care or reimbursement for an assisted living facility. It gives us the money we need to keep a loved one at home, where they belong.

CAREGIVING, MOSTLY A FEMALE ISSUE

According to the Personnel Journal, eight million Americans care for a parent and 75 percent of caregivers are women. Of the 75 percent of the women caring for an aged parent, more than 50

percent are employed outside the home and raising children. What's the impact? Fifty-eight percent missed work due to caregiving last year.

In a survey of Federal workers, almost half indicated they cared for dependent parents and three quarters had missed work because of their caregiving. Moreover, significant percentages were forced to hire nursing help (46 percent), incur large expenses (44 percent) and quit their jobs or take a leave of absence (41 percent) as a direct result of their caregiving responsibilities. More than fifty percent said they had to cut back their working hours and give up space in their homes to accommodate loved ones needing care. On average, a 45 year old woman is more likely to spend more time taking care of a parent (18 years) than raising children (17 years)!!

Women in the work world have fought an ongoing battle for decades for equal opportunity and equal pay. Women still earn less than men, save less for their retirement and receive, on average, lower Social Security benefits.

The Health Action Forum of Greater Boston identified that female caregivers frequently turn down promotions and transfers, delay retirement, or are forced into taking early retirement. They give up vacations and social life and suffer the burden of added anxiety and depression.

And, what do these women have to look forward to? A spokesperson for the American Health Care Association recently commented on the huge emotional drain and financial consequences faced by female caregivers. **If they are caring for either a parent or a spouse, who is going to care for them? And, where is the money going to come from?**

LONG TERM CARE, MORE A FEMALE NEED

About half the women over age 65 will spend some time in a nursing home. For men, the likelihood is much less, about thirty-three percent.

THE WOMAN'S FINANCIAL PLIGHT

Another "catch 22" of long term care insurance is based on how family financial decisions are made. Generally speaking, family financial decisions are heavily influenced by the husband. When the husband decides to not purchase Long Term Care Insurance, essentially he's placing his wife in the position of being forced to become a caregiver, especially if he's the primary breadwinner. The financial plans of married couples are intended to provide a lifelong income for both husband and wife. We can't know when we'll die nor do we know who'll die first, the man or the woman. Therefore, lifelong financial plans must protect the lady of the house, as she will most probably live longer, with the greater risk of needing long term care benefits.

Lifelong financial plans must protect the lady of the house, as she will most probably live longer

WOMEN LIVE LONGER

Assuming the norm, if both husband and wife are the same age and healthy, the actuaries tell us that the average woman will live five (5) to seven (7) years longer than the average man. As women tend to outlive their husbands, they have a 13 percent chance of spending five or more years in a nursing home, compared with only 4 percent for men. Therefore, the family finances need to be sufficient to finance at least an extra five to seven years of living. What happens when the husband needs assisted care and it depletes the family finances and he dies, leaving his wife with unpaid nursing home bills and little else?!

And while we're at it, for you men reading this article, the man of the house should make sure he owns Long Term Disability insurance, protecting his income during his working years. The likelihood of you becoming disabled and not be able to pay the family finances, not only will you lose your Long Term Care Insurance but everything else you've both worked so hard to obtain.

**The most thoughtful gift
a man can give his wife –
Long Term Care Insurance**

A FEMALE DECISION

The decision to purchase long term care (or not) should be made by the lady of the house. She's more at risk of living a longer life of undignified, financial insecurity. If the women of the world are given the legacy of caregiving, then we (men) need to give them the option of paying for assisted care and, the only way to finance it is with Long Term Care Insurance.

The man of the house needs to help make sure that the family financial house is kept in order. He and his wife are both vulnerable to the risks of long term care. If his in-laws and parents are all alive, then there's the overwhelming likelihood of one or more out of six people requiring assisted care. The risk is virtually unavoidable. Do parents have an obligation to tell their children if they decide to not purchase long term care insurance? Shouldn't parents be involving their children in their Long Term Care decisions?

The man of the house needs to protect the lady of the house by making sure his parents, and her parents, have been educated about the LTC risks and how to be protected against the financial ravages of long term care.

**LTC premium payments
are much more tolerable
than the unreasonable
demands of caregiving!**

Again, the bottom line for the lady of the house is to protect your vulnerability. You're vulnerable to being a caregiver for your husband and maybe after you've cared for an aged parent. And, when he passes away after you've used up the family finances, you're vulnerable to living a long healthy life, poor.

Make sure your husband has adequate Long Term Disability Insurance during his working years; and then, make sure there's adequate Long Term Care Insurance so you won't be forced to be a caregiver.

LTC insurance is the only way we can provide the gentle supportive, personal assisted care we all would want, when unable to care for ourselves. LTC insurance is the only way we can maintain our financial security and continue to live a life of financial independence and dignity. And, these are the issues that every wife needs to make sure her husband understands . . . about long term care.

**Lifelong financial plans
must protect the lady of the
house, as she will most
probably live longer**